

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application C-1839/
of the Nebraska Public Service) PI-22
Commission, on its own motion, seek-)
ing to conduct an investigation into) ORDER INSTITUTING
the effects of incumbent local ex-) INVESTIGATION
change carriers using affiliates to)
compete within their own territory.) Entered: July 14, 1998

BY THE COMMISSION:

An application was filed by Aliant Midwest, Inc. (AMI) seeking to provide local exchange services statewide in Nebraska, including the region served by Aliant Communications Company. Both companies are wholly-owned subsidiaries of Aliant Communications, Inc. By order dated July 7, 1998, the Commission denied the part of the application pertaining to AMI providing service in the territory presently served by Aliant Communications Company.

Similarly, a competitive affiliate of GTE, GTE-Communications Corporation (GTE-CC) has filed and received Commission approval of an interconnection agreement with GTE. GTE-CC utilized Section 252(i) of the Telecommunications Act of 1996 to utilize an interconnection agreement that was previously approved by the Commission for GTE and AT&T. While GTE-CC has not requested certification in Nebraska, it seems apparent that an application will be filed in the future.

As cited in the AMI order on July 7, 1998, we believe that further examination of this issue is warranted. Accordingly, we open this investigative docket to determine whether incumbent local exchange carriers should be able to establish affiliates to provide competitive local exchange services within their own territory. Parties may address all issues related to incumbent local exchange carriers establishing affiliates for the purpose of competing in-region.

We ask parties to comment on potential problems, such as customer confusion, preferential relationships, and marketing practices. We also ask them to comment as to what regulatory conditions, if any, should be imposed under this type of business relationship.

All comments will be posted on the Internet on the Commission's home page. The website address is www.nol.org/home/NPSC.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that interested parties may submit comments on the issues raised herein on or before September 4, 1998.

IT IS FURTHER ORDERED that parties may submit reply comments on or before September 30, 1998.

IT IS FINALLY ORDERED that an original and five copies, as well as one electronic copy on a diskette (in WordPerfect format), be submitted with each filing.

MADE AND ENTERED at Lincoln, Nebraska, this 14th day of July, 1998.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Deputy Director